

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

**IN RE: RULES AND REGULATIONS GOVERNING THE :  
TERMINATION OF RESIDENTIAL ELECTRIC : DOCKET NO. 4450  
AND NATURAL GAS SERVICE :**

**NOTICE OF PROPOSED RULEMAKING AND PUBLIC HEARING**

**Pursuant to §§ 39-1-1, 39-1.1-1, 39-1.1-2, 39-1.1-2.1, 39-1.1-3, 39-1.1-4, 39-2-1, and 42-35-3 of the Rhode Island General Laws, as amended, the Public Utilities Commission (the “PUC”) hereby gives notice that it will solicit comments on a proposed rulemaking process to adopt new rules entitled “Rules and Regulations Governing the Termination of Residential Electric and Natural Gas Service” and to repeal related existing regulations. Oral comments may be made at a hearing to be conducted in Hearing Room A of the PUC’s Offices, 89 Jefferson Boulevard, Warwick, Rhode Island, on November 21, 2013 at 9:30 A.M. Written comments may be submitted according to procedures at the end of this notice.**

**The proposed regulations reflect a comprehensive rewrite of the currently effective regulations entitled “Rules and Regulations Governing the Termination of Residential Electric, Gas and Water Utility Service” which became effective on October 19, 2008. Accordingly, the PUC will repeal the existing rules and regulations**

through this rulemaking process.

The basis for the proposed rulemaking is R.I. Gen. Laws § 39-1.1-3.

That provision states:

The [PUC] shall promulgate such rules and regulations as are necessary to ensure that termination of utility service for outstanding indebtedness shall be authorized only after the utility has complied with reasonable methods of debt collection as defined by the [Division of Public Utilities and Carriers].

The proposed regulations comprise rules covering the specific matters that RI law directs to be the subject of PUC rulemaking. The particular matters covered by the proposed rules are all those that specific, statutory language directs the PUC to address in its rule, including: a winter moratorium (R.I. Gen. Laws § 39-1.1-4), provisions related to terminations of service for low income elderly and/or disabled customers (R.I. Gen. Laws §§ 39-1.1-1, 39-1.1-2), limitations on terminations by The Narragansett Electric Company d/b/a National Grid relative to low income customers (R.I. Gen. Laws § 39-1.1-1(b)), limitations on terminations to households with a seriously ill resident (R.I. Gen. Laws § 39-1.1-2(b)), an infant protection provision (R.I. Gen. Law § 1.1-2.1), and an Arrearage Forgiveness Program (R.I. Gen. Laws § 39-2-1(d)(2)).

The proposed regulations are designed to reflect the limited statutory authority conferred on the PUC to deal with issues regarding the termination of electric and natural gas service to residential

customers in Rhode Island. The current “Rules and Regulations Governing the Termination of Residential Electric, Gas and Water Utility Service” were previously determined by the PUC to be overly complicated, unwieldy, and open to multiple, potentially conflicting interpretations. The PUC believes that one significant reason for this unfortunate circumstance is that the current “Rules and Regulations Governing the Termination of Residential Electric, Gas and Water Utility Service” contain multiple provisions that are not expressly mandated by statutes pertaining to the PUC while other provisions overlap with current Division rules and responsibilities. This was, primarily, because many of the various provisions were promulgated when the PUC and the Division were a single agency. In 2002, the Division acquiesced to maintaining a single set of “Rules and Regulations Governing the Termination of Residential Electric, Gas and Water Utility Service”. This solution has proven confusing, cumbersome, and detrimental to the public utilities and the ratepayers because the Division is unable to respond to changing circumstances without PUC action. Furthermore, as a ratemaking authority, the PUC must be able to fairly and impartially review all actions taken by a public utility for prudence. It cannot operate efficiently within this function if it is taking a role that the utility could argue constitute management decisions. Finally, where the current “Rules and Regulations Governing the Termination of Residential Electric, Gas and Water Utility Service” do exceed the PUC’s express statutory authority by overlapping with another agency’s statutory responsibilities, the Division is arguably under no obligation to

**comply with those provisions. If such a position were taken, further confusion and potential economic harm could occur.**

**The Proposed Regulations will affect the interests of the Narragansett Electric Company d/b/a National Grid (both electric and natural gas), the Pascoag Utility District and the Block Island Power Company. The Proposed Regulations will also affect residential users of electric and/or natural gas delivery service provided by the above public utilities.**

**In the development of the proposed interpretation consideration was given to the following: (1) alternative approaches; (2) overlap or duplication with other statutory and regulatory provisions; and (3) significant economic impact on small business. One purpose of the Proposed Regulations is to eliminate overlap and duplication with statutes and Rules within the jurisdiction of the Division, a separate state agency which has the statutory responsibility and personnel to address disputes between public utilities and their customers. The Commission found no other duplication with other state agencies' laws or regulations and identified no significant economic impact on small businesses as defined by R.I. Gen. Laws § 42-35.1-3.**

**The rules and regulations are on file at the Commission Clerk's Office, 89 Jefferson Boulevard, Warwick, Rhode Island. Copies of the rules and regulations may be obtained in person, by mail, by calling 401-780-2107, or accessed under the Commission's Docket Menu,**

**Docket No. 4450 at [www.ripuc.org](http://www.ripuc.org). Interested persons wishing to offer data, views, or arguments on the proposed rules and regulations may file written comments no later than November 27, 2013 with the Commission Clerk to the following address:**

**Luly E. Massaro, Commission Clerk  
Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, Rhode Island 02888**

**Reference is also made to R.I.G.L §§ 42-35, 39-1, 39-26.1 et seq., specifically, §§ 42-35-1, 42-35-2, 42-25-3, 42-35-4, 42-35-5, 39-1-15 and 39-26.1-3(e) and 39-26.1-5(e).**

**The Public Utilities Commission is accessible to the handicapped. Individuals requesting interpreter services for the hearing impaired must notify the PUC's office by calling 401-7801-2107, seventy-two (72) hours in advance of the hearing date.**

**Luly E. Massaro, Commission Clerk  
October 28, 2013**

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